



NEWSLINE

*An Official Publication of the Tennessee Auctioneer Commission
Tennessee Department of Commerce and Insurance*

Chairman's Report

by Howard Phillips

I want to invite all of the Tennessee auctioneers, apprentices, firm and gallery license holders to attend our next free seminar program to be held in Knoxville at the Merchants I-75 Expo Center on Monday, October 21st at 8:00 a.m. The Merchants I-75 Expo Center is located at 5441 Clinton Highway in Knoxville. There is plenty of free parking. The program will begin at 8:00 a.m. and last until 2:00 p.m. There will be no lunch break. I encourage all of our licensees to attend.

I would like to welcome Mrs. Terri Walker of Memphis, Tennessee, to the Tennessee Auctioneer Commission. Terri and her husband, Lance, operate a very successful auction business from their offices in Memphis, Tennessee. Terri began her term as a TAC Commission Member at the September meeting. You will find more information about Ms. Walker in this newsletter.

This newsletter contains sample auction ads that are displayed for the benefit of the licensees. The sample ads are a guide only and do not represent the only way to design and display an ad. The current rules and statutes specifically define absolute and reserve auctions. An Absolute Auction is an auction with no contingencies. The property must sell and transfer to a new owner. If there is a mortgage on the property, the mortgage holder must sign the contract and agree to release the mortgage regardless of the final bid price. The auction cannot be subject to achieving the amount of the mortgage or a minimum price. The ads are displayed in the spirit of providing acceptable guidelines to licensees.

The TAC investigator, Mr. Dennis Hodges, is in the field investigating complaints sent to the TAC by consumers or other sources. Every complaint is investigated and recommendations are provided to the TAC by legal counsel. While investigating complaints in a particular county or area, Mr. Hodges visits auction firms and conducts general audits. The audits consist of checking the firm for proper signage, contracts in file, closing statements in file, escrow or trust account activity, and proper licenses. The general audits are conducted at the direction of the TAC to ensure that licensees are following the spirit of the policies, rules and auction laws.

The meetings of the Tennessee Auctioneer Commission are open to every licensee. The TAC encourages all licensees to visit the Commission meetings, which are typically held the first Monday of each month.

If you have questions with regard to your auction practice, feel free to contact the TAC office and talk with our staff or contact the TAC Commission Member in your area. We want you to have all of the information you need to manage and promote your auctions in the coming months.

PAGE 1

Chairman's Report

PAGE 2

Sample Ads

PAGE 3

Administrative Director's Report
Disciplinary Corner
New Commission Member

PAGE 4

Sample Ad
October Seminar

COMMISSION MEMBERS AND STAFF

Howard Phillips, Chairman

Term 11/30/00 - 8/31/03

Terri Walker, Board Member

Term 9/1/02 - 8/31/05

Jay Whirley, Board Member

Term 9/1/01 - 8/31/04

Charles Woodard, Board Member

Term 9/1/01 - 8/31/04

James Brock, Consumer Member

Term 9/1/01 - 8/31/04

Lynn McGill, Administrative Director

lmcgill@mail.state.tn.us

Kathy McBroom, Administrative Assistant

kmcbbroom@mail.state.tn.us

Sandra Cooper, License Technician

Dennis Hodges, Investigator

dhodges@mail.state.tn.us

MISSION STATEMENT:

The mission of the Tennessee Auctioneer Commission is to protect the public and licensees by monitoring the auctioneer profession through licensure and regulation.

Vision:

To remain a premier regulatory board operating at maximum efficiency, providing exemplary consumer protection and enhanced quality improvement for licensees while recognizing that these are changing times and that the nature of professional services must change accordingly and so should we as regulators.

Advertising Samples

At your request, we have posted below, and on the back page of this newsletter, sample ads for different types of auctions. These are intended as a guide only.

Below: One ad containing property selling "absolute" and "with reserve" in the same sale:

Example Example

ABSOLUTE AUCTION

Saturday, November 9th, at 10:00 a.m.

2 Commercial Lots

Located on Highway #23, Anytown, Tennessee, across from the Anytown Discount Outlet Mall.

The lots are 150' X 290.4' and contain 1.0 Acres. The lots are zoned GCS, General Commercial Services District. Each lot has two approved driveways from Highway #23. The lots have been rough graded and have access to all public utilities.

Lots #1 and #2 are selling to the highest bidder

AT AUCTION

2 Commercial Lots

Same date and location as above

Lots #3 and #4 will be offered for sale after the sale of Lots #1 and #2. The sale of Lots #3 and #4 is subject to the confirmation of the owner. The lots are 150' X 290.4' and contain 1.0 Acres. The lots are zoned GCS, General Commercial Services District. Each lot has two approved driveways from Highway #23. The lots have been rough graded and have access to all public utilities.

Terms and Conditions: Successful buyers are required to pay 15% of the purchase price down on sale day and the balance is due on or before 30 days from sale date. Taxes for 2002 will be paid by the Sellers. Lots are being sold free and clear.

For More Information Contact

Anytown Realty and Auction Company
101 Main Street
Anytown, Tennessee

J.P. Smith, Principal Auctioneer TFL#0000

Example

Below: Examples of the same auction, with one being "absolute" and the other being "with reserve".

Example

ABSOLUTE AUCTION

Saturday, November 9th, at 10:00 a.m.

4 Commercial Lots

Located on Highway #23, Anytown, Tennessee, across from the Anytown Discount Outlet Mall

The lots are 150' X 290.4' and contain 1.0 Acres each. The lots are zoned GCS, General Commercial Services District. Each lot has two approved driveways from Highway #23. The lots have been rough graded and have access to all public utilities.

Terms and Conditions: All lots will sell to the highest bidder. The buyers are required to pay 15% of the purchase price down on sale day and the balance is due on or before 30 days from sale date. Taxes for 2002 will be paid by the Sellers. Lots are being sold free and clear.

For More Information Contact:

Anytown Realty and Auction Company
101 Main Street
Anytown, Tennessee
J.P. Smith, Principal Auctioneer TFL#0000

Example

Example

AT AUCTION

Saturday, November 9th, at 10:00 a.m.

4 Commercial Lots

Located on Highway #23, Anytown, Tennessee, across from the Anytown Discount Outlet Mall.

The lots are 150' X 290.4' and contain 1.0 Acres each. The lots are zoned GCS, General Commercial Services District. Each lot has two approved driveways from Highway #23. The lots have been rough graded and have access to all public utilities.

Terms and Conditions: All lots will sell subject to the confirmation of the owner. The buyers are required to pay 15% of the purchase price down on sale day and the balance is due on or before 30 days from sale date. Taxes for 2002 will be paid by the Sellers. Lots are being sold free and clear.

For More Information Contact:

Anytown Realty and Auction Company
101 Main Street
Anytown, Tennessee

J.P. Smith, Principal Auctioneer TFL#0000

Example

Example

Administrative Director's Report

by Lynn McGill

Questions frequently arise concerning responsibilities of both firm owner and principal auctioneer for the firm. A letter was mailed to all non-auctioneer firm owners and principal auctioneers to clarify and re-emphasize the rules and regulations. The rules mentioned were as follows:

TENNESSEE AUCTIONEER LICENSE LAW AND REGULATIONS

62-19-111. General licensing provisions.

(9) A firm license shall automatically be **suspended** if no licensed auctioneer is engaged in business therein. Such license may be reinstated by the commission for the unexpired term upon proof that a duly licensed auctioneer has become affiliated with the firm.

(11) All contracts for services to be performed by an auction firm, except an auto auction as defined in § 55-17-102(2), **must** be negotiated for and signed by an auctioneer who is a member of the firm or by the auctioneer's attorney.

Rule 0160-1-.01. DUTIES OF AUCTIONEER.

The auctioneer shall be responsible for the advertising and management of the sale and

(Continued next column)

Disciplinary Corner

by Dennis Hodges

Name	Amount Paid	Action Taken	Nature of Offense
Charles Woodard & Assoc	\$100.00	Agreed Citation	Improper Advertisement
Garth Semple & Assoc Inc	\$100.00	Agreed Citation	Improper Advertisement
John Roebuck & Assoc/ River City Auction & Rlty	\$600.00	Agreed Citation	Improper Advertisement
Nashville Auction & Rlty Co (Reed Henley)	\$500.00 reduced to \$100.00 by Board	Agreed Citation	Improper Advertisement
Re/Max Auctions (Terry W Bookout)	\$100.00	Agreed Citation	Improper Advertisement
Delta Auction & Real Estate Co. Inc.	\$500.00	Agreed Citation	Improper Advertisement
Dovebid Inc (Richard Brodie)	\$500.00	Agreed Citation	Improper Advertisement
Roger Ball Realty	\$100.00	Agreed Citation	Improper Advertisement
Ritchason Auctioneers Inc.	\$100.00	Agreed Citation	Improper Advertisement
Peak Auctioneering	\$100.00	Agreed Citation	Improper Advertisement
Clements Antiques of TN Inc	\$600.00	Agreed Citation	Improper Advertisement
Hack Ayers Auction & R/E	\$100.00	Agreed Citation	Improper Advertisement
Keener Auction Company	\$100.00	Agreed Citation	Improper Advertisement
Sims Realty, Auctioneers Inc	\$100.00	Agreed Citation	Improper Advertisement
David E Ferguson (Treadway Horse Sale)	\$200.00	Consent Order	Invalid Auction Activity
Chucky Greenway	\$200.00	Citation	Unlicensed Advertisement
Southern Auto Salvage Pool, Inc.	\$1,000.00	Citation	Invalid Auction Activity
James A Whirley Jr (Southern Auto)	\$500.00	Citation	Invalid Auction Activity
Alexander Auctions & Real Estate Sales	\$500.00 reduced to \$100.00 by Board	Agreed Citation	Improper Advertisement
Clive Anderson Realty & Auction Co	\$100.00	Agreed Citation	Improper Advertisement
Rabin Worldwide	\$600.00	Agreed Citation	Improper Advertisement

Meet Our New Commission Member

Governor Don Sundquist has appointed Terri Walker to serve a three-year term on the Tennessee Auctioneer Commission, representing the State of Tennessee At Large. Terri and her husband, Lance, own and operate Walker Auctions, a Memphis-based auction company that raises more than \$10 million annually for charities across the United States and Canada.

Terri is one of nearly a dozen of the company's auctioneers. She has a B.S. and a M.A. degree in education and is an instructor at the Missouri Auction School. Terri taught school for several years and presently teaches a continuing education course at Memphis University on how to buy at auction. She is an active member of the Bellevue Church and is an instructor in their harp program. Terri has worked with charities in the United States, Canada, and the US Virgin Islands. Her auctioneering abilities have won her several awards, including First Runner Up in the National Auctioneers Bid Calling Contest and Second Runner Up in the Tennessee Auctioneers Bid Calling Contest.

The Tennessee Auctioneer Commission and staff welcome Terri Walker to the Commission. You may visit the Walker Auctions website at www.walkerauctions.com. You may email Terri at terri@walkerauctions.com.



Admin. Director's Report

(Continued)

account for all proceeds therefrom and shall, over his signature, issue a closing statement to the seller or sellers.

Rule. 0160-1-.05. PUBLICATION OF NAME

(1) All advertising of an auction sale must be made in the name of the licensee who shall bear responsibility of the sale to the seller, general public and auctioneer commission.

(2) All advertising of an auction sale by an auction firm not owned by a licensed auctioneer shall include the name of its sponsoring auctioneer and the auctioneer shall attend all auction sales.

As stated in the letter, these rules must be adhered to when conducting any auction activity. Inspections are routinely conducted and records audited. Any questions you might have concerning these rules should be directed to the Commission office at 615-741-3236.

Example

BANKRUPTCY AUCTION

Saturday, November 9th, at 10:00 a.m.

4 Commercial Lots

Selling by order of the Bankruptcy Court, East Tennessee Division, Case #0000000 and Case #0000001

Located on Highway #23, Anytown, Tennessee, across from the Anytown Discount Outlet Mall.

The lots are 150' X 290.4' and contain 1.0 Acres. The lots are zoned GCS, General Commercial Services District. Each lot has two approved driveways from Highway #23. The lots have been rough-graded and have access to all public utilities.

Terms and Conditions: All lots will sell to the highest bidder. The buyers are required to pay 15% of the purchase price down on sale day and the balance is due on or before 30 days from sale date. Taxes for 2002 will be paid by the Sellers. Lots are being sold free and clear. Sale subject to approval of the Bankruptcy Court, East Tennessee Division.

For More Information Contact:

Anytown Realty and Auction Company

101 Main Street

Anytown, Tennessee

J.P. Smith, Principal Auctioneer TFL#0000

Example

Example



TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE AUTHORIZATION No. 335170, Revised 5/96. This public document was promulgated for 13,200 copies per issue, at a cost of 26 cents per copy, paid by the Tennessee Auctioneer Commission Education and Recovery Fund.

"The Tennessee Department of Commerce and Insurance is committed to principals of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 741-2177 (TDD).

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE & INSURANCE
TENNESSEE AUCTIONEER COMMISSION
500 JAMES ROBERTSON PARKWAY
DAVY CROCKETT TOWER, 6TH FLOOR
NASHVILLE, TENNESSEE 37243-1152
615-741-3236 615-741-1245 (Fax)
www.state.tn.us/commerce/auction

**Continuing Education Seminar
October 21, 2002
Knoxville, TN**

The next scheduled TAC-sponsored seminar will be held on Monday, October 21, 2002 at the Merchants I-75 Expo in Knoxville, Tennessee. Pre-registration is not required.

Topic: "How to Manage an Industrial Auction"
Speaker: Robbie J. Franklin, CAI
Location: Merchants I-75 Expo, Dogwood Room
5441 Clinton Hwy, Knoxville, TN
Time: 8:00 a.m. - 2:00 p.m. (no lunch break)
Hours: Six (6) hours continuing education credit

Hotel Info: Ramada Suites
117 Cedar Lane (off Merchants Dr.)
865-689-1011

Directions to Expo from I-75: Take Exit 108 (Merchants Drive). At traffic light, turn left on Merchants Drive. At fourth traffic light, turn right on Clinton Highway (25W North). Get in the extreme left lane. Turn left at first left.



PRESORTED
FIRST-CLASS MAIL
U.S. Postage PAID
Columbia, TN 38401
Permit No. 710